

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

<p>In re</p> <p>TRONOX INCORPORATED, <i>et al.</i>,</p> <p>Debtors.</p>	<p>Chapter 11</p> <p>Case No. 09-10156 (ALG)</p> <p>Jointly Administered</p>
<p>TRONOX INCORPORATED, TRONOX WORLDWIDE LLC f/k/a Kerr-McGee Chemical Worldwide LLC, and TRONOX LLC f/k/a Kerr-McGee Chemical LLC,</p> <p>Plaintiffs,</p> <p>v.</p>	<p>Adversary Proceeding No. 09-01198 (ALG)</p>
<p>ANADARKO PETROLEUM CORPORATION AND KERR-MCGEE CORPORATION,</p> <p>Defendants.</p>	
<p>THE UNITED STATES OF AMERICA,</p> <p>Plaintiff-Intervenor,</p> <p>v.</p> <p>TRONOX, INC., TRONOX WORLDWIDE LLC, TRONOX LLC, KERR-MCGEE CORPORATION, and ANADARKO PETROLEUM CORPORATION,</p> <p>Defendants.</p>	

**JOINT REPORT OF ANADARKO PETROLEUM
CORPORATION, KERR-MCGEE CORPORATION AND THE UNITED
STATES OF AMERICA REGARDING OUTSTANDING DISPUTES**

Anadarko Petroleum Corporation and Kerr-McGee Corporation (collectively, “Anadarko”) and the United States of America (the “Government”), parties in the above-referenced adversary proceeding (collectively, the “Parties”), hereby submit this joint report (the “Joint Report”), as requested by the Court at the December 22, 2010 hearing (the “Hearing”) on Anadarko’s motion to compel (See Dkt. Nos. 141, 174, 180, and, 189). This Joint Report: (i) describes the status of, and the agreements reached with respect to, the outstanding discovery disputes between the Parties; and (ii) identifies those issues with respect to which the Parties continue to work toward a resolution.

INTRODUCTION

1. Consistent with the Court’s direction at the Hearing, the Parties met and conferred in an effort to resolve the issues raised in Anadarko’s motion to compel and related discovery disputes. The Parties participated, together with the Debtors, in a five hour in-person meeting on January 7, 2011, followed by a lengthy telephone conference on January 14, 2011, and an additional telephone conference on January 31, 2011. Both before and after these meetings, the Parties exchanged numerous e-mail communications on various issues, particularly with respect to coordinating the inspection and/or copying of documents.

2. As set forth more fully in the “Agreements Reached” section below, the Parties are pleased to report that progress has been made with respect to the issues raised in Anadarko’s motion to compel. Anadarko has completed or is in the process of inspecting and copying the paper document collections that the Government has made available for inspection and copying, and the Government has produced additional quantities of electronically stored information (“ESI”). At present, the Parties expect that the last of the identified paper document collections will be produced and/or copied no later than the end of February, and the Government expects that the identified balance of the requested ESI will be produced during the month of February.

3. As set forth more fully in the “Outstanding Issues” section below, the Parties are continuing their dialogue with respect to the documents that the Government has withheld as privileged and with respect to the Government’s responses to Anadarko’s interrogatories.

AGREEMENTS REACHED

A. Paper Documents

4. The Government represents that it has made available for inspection and copying or has scanned and produced electronically all responsive, non-privileged documents identified after a diligent search of the following caches of paper documents:

- Army Corps of Engineers (“ACOE”): documents located in the Kansas City and Baltimore offices of ACOE related to the Manville Site.
- Bureau of Land Management (“BLM”): documents located in Phoenix, Arizona and Albuquerque, New Mexico in the custody of BLM related to the mining sites that are the subject of the Government’s claims.
- Bureau of Indian Affairs: documents located in Gallup, New Mexico, in the custody of BIA related to the mining sites that are the subject of the Government’s claims.
- EPA Region 2: documents in the custody of EPA Region 2 related to the Manville and Welsbach sites that are stored at the EPA Region 2 office located at 290 Broadway, at the EPA facility in Edison, New Jersey, at the EPA on-site facility in Gloucester City, NJ, and at the National Archives Record Administration’s facility in Lee’s Summit, Missouri.
- EPA Region 4: documents in the custody of EPA Region 4.
- EPA Region 5: documents in the custody of EPA Region 5.
- EPA Region 6: documents in the Superfund Document Management System, EPA Region 6, related to the Brine Services site.

- EPA Region 9: documents in the custody of EPA Region 9 related to the Henderson Site.
- EPA Region 10: documents in the custody of EPA Region 10 related to the Soda Springs site.
- U.S. Forest Service: documents in the custody of the Forest Service related to the Juniper Mine, Mansfield Canyon, Riley Pass, and White King/Lucky Lass sites.
- Nuclear Regulatory Commission (“NRC”): documents in the custody of the NRC stored at the Federal Records Center in Suitland, Maryland.

5. With respect to the following caches of documents, the Government and Anadarko have agreed as follows:

- BLM: The Government will produce either in electronic form, or for inspection and copying, all remaining responsive, non-privileged documents located in Reno, Nevada and Ely, Nevada in the custody of BLM related to the mining sites that are the subject of the Government’s claims.
- EPA Region 6: The Government will produce either in electronic form, or by making available for inspection and copying, all remaining responsive, non-privileged documents in the custody of EPA Region 6.
- EPA Region 9: The Government will produce either in electronic form, or for inspection and copying, all remaining responsive, non-privileged documents related to the mining sites in the custody of EPA Region 9.
- ACOE: The Government will produce all responsive, non-privileged documents in the custody of ACOE related to the Welsbach site, either in electronic form, or for inspection and copying.

B. Electronic Documents

6. The Government produced additional collections of ESI on December 20, 2010, January 10, 2011, and January 20, 2011. The Government expects to produce additional ESI on

a rolling basis as it is identified, collected and reviewed. The majority of the supplemental ESI will relate to the Welsbach site, the mining sites, and the sites located in Region 6.

7. The Government provided Anadarko with remote access to an electronic database maintained by Malcolm Pirnie, EPA's contractor at the Welsbach Site, on January 27th and the Parties are working to schedule training on how to access, search and download responsive files from this database.

OUTSTANDING ISSUES

A. Documents Withheld as Privileged

8. Agency Privileged Materials: Anadarko has requested a categorical privilege log for documents withheld as privileged related to ten of the sites at issue. The Government is in the process of preparing responses to Anadarko's requests.

9. Communications Related to Alleged Liability of Tronox/Anadarko: On January 30, 2011, the Government proposed to produce certain communications withheld as privileged related to the alleged liability of Tronox and/or Anadarko for the sites at issue in this litigation. Anadarko is reviewing the Government's proposal and expects to respond shortly.

B. Interrogatory Responses

10. Although not part of Anadarko's motion to compel, the Parties have also conferred regarding the Government's responses to Anadarko's interrogatories. In a letter dated December 16, 2010, Anadarko identified a number of concerns regarding the Government's responses to Anadarko's interrogatories. The Parties discussed these issues at their meeting on January 7, 2011 and identified the scope of their disagreement. The Government responded to some of Anadarko's concerns in a January 11, 2010 letter. Anadarko advised the Government during their January 14, 2011 telephone conference that the Government's January 11th response did not resolve Anadarko's concerns. Anadarko reiterated its concerns in a January 28, 2011 letter and asked whether the Government intended to supplement its interrogatory responses

further. During the Parties' January 31, 2011 telephone conference, the Government represented that it will be supplementing its interrogatory responses in the next few weeks.

Dated: January 31, 2011

Respectfully Submitted,

/s/ Duke K. McCall, III

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CERTIFICATE OF SERVICE

I hereby certify that on January 31, 2011, in addition to filing and service via ECF, I caused true and correct copies of the Joint Report of Anadarko Petroleum Corporation, Kerr-McGee Corporation and the United States of America Regarding Outstanding Discovery Disputes to be served upon the persons listed below as indicated.

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Dated: January 31, 2011

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